

Scorecard - Toronto Hydro-Electric System Limited

9/23/2015

Performance Outcomes	Performance Categories	Measures						Trend	Target	
			2010	2011	2012	2013	2014		Industry	Distributor
Customer Focus Services are provided in a manner that responds to identified customer preferences.	Service Quality	New Residential/Small Business Services Connected on Time	96.20%	94.00%	92.50%	94.20%	91.50%		90.00%	
		Scheduled Appointments Met On Time	99.90%	99.60%	99.30%	99.60%	99.80%		90.00%	
		Telephone Calls Answered On Time	69.90%	72.70%	76.90%	82.00%	71.90%		65.00%	
	Customer Satisfaction	First Contact Resolution					77%		81%	
		Billing Accuracy				96.6%	96.62%		98.00%	
		Customer Satisfaction Survey Results					91%			
Operational Effectiveness Continuous improvement in productivity and cost performance is achieved; and distributors deliver on system reliability and quality objectives.	Safety	Level of Public awareness [measure to be determined]								
		Level of Compliance with Ontario Regulation 22/04	NI	NI	NI	C	C		C	
		Number of General Public Incidents	3	0	1	2	3		1	
	System Reliability	Serious Electrical Incident Index	0.306	0.000	0.099	0.202	0.295		0.127	
		Number of General Public Incidents								
		Rate per 10, 100, 1000 km of line								
	Asset Management	Average Number of Hours that Power to a Customer is Interrupted	1.19	1.38	1.46	17.81	1.14			
		Average Number of Times that Power to a Customer is Interrupted	1.54	1.48	1.47	2.39	1.36			
		Distribution System Plan Implementation Progress				105%	147%			
	Cost Control	Efficiency Assessment				5	5		5	
		Total Cost per Customer ¹	\$885	\$951	\$900	\$924	\$967			
		Total Cost per Km of Line ¹	\$62,061	\$67,015	\$65,273	\$66,793	\$70,688			
Public Policy Responsiveness Distributors deliver on obligations mandated by government (e.g., in legislation and in regulatory requirements imposed further to Ministerial directives to the Board).	Conservation & Demand Management	Net Annual Peak Demand Savings (Percent of target achieved) ²		16.73%	33.41%	52.75%	72.06%		286.27MW	
		Net Cumulative Energy Savings (Percent of target achieved)		52.38%	78.16%	99.81%	121.36%		1,303.99GWh	
	Connection of Renewable Generation	Renewable Generation Connection Impact Assessments Completed On Time	90.32%	70.11%	90.79%	100.00%	97.12%			
		New Micro-embedded Generation Facilities Connected On Time				100.00%	100.00%		90.00%	
	Financial Ratios	Liquidity: Current Ratio (Current Assets/Current Liabilities)	1.05	1.26	0.59	0.80	0.68			
		Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio	1.52	1.43	1.37	1.34	1.65			
		Profitability: Regulatory Return on Equity	Deemed (included in rates)		9.58%	9.58%	9.58%	9.58%		
			Achieved		9.73%	7.62%	7.10%	7.41%		

Notes:

1. These figures were generated by the Board based on the total cost benchmarking analysis conducted by Pacific Economics Group Research, LLC and based on the distributor's annual reported information.

2. The Conservation & Demand Management net annual peak demand savings include any persisting peak demand savings from the previous years.

Legend: up down flat

target met target not met

Appendix A – 2014 Scorecard Management Discussion and Analysis (“2014 Scorecard MD&A”)

Scorecard MD&A - General Overview

Toronto Hydro’s 2014 scorecard results reflect the utility’s emphasis on its four corporate pillars, which are well-aligned with the Ontario Energy Board’s (OEB) Renewed Regulatory Framework performance outcomes: Customer Focus, Operational Effectiveness, Public Policy Responsiveness and Financial Performance. At the core of Toronto Hydro’s objectives is serving its customers effectively and efficiently, and providing a safe and reliable source of electricity for the dynamic and complex urban environment that is the City of Toronto. As a mature utility serving a dense urban environment, Toronto Hydro continues to address the many challenges it faces in rebuilding its aging distribution system to meet the needs of its customers in an environment of rapid urban growth.

In 2014, Toronto Hydro’s performance on the Scorecard measures has remained generally consistent with 2013, with modest improvements in system reliability and service quality results, in part as a result of capital investments to address the utility’s aging distribution system. Toronto Hydro’s results on the OEB’s cost efficiency metrics are in large part a function of an extensive multi-year capital program, requiring significant investment to address its aging distribution system, ensure a safe and reliable source of electricity and provide acceptable service levels in a dense urban environment. Toronto Hydro faces a number of business conditions, the scope and nature of which is largely unique in the Ontario context. As is described in detail below, normalizing for these conditions markedly improves the utility’s cost efficiency performance as measured by the OEB. Toronto Hydro’s 2014 financial performance as measured by the OEB has remained relatively stable, and the utility invites its customers and other stakeholders to review its financial reporting documents for additional information.

Important Note: The information disclosed in Toronto Hydro’s Scorecard and discussed in the 2014 Scorecard MD&A is prescribed by, and determined in accordance with, the OEB’s *Report of the Board: Performance Measurement for Electricity Distributors: A Scorecard Approach* dated March 5, 2014 (the “Scorecard Report”), the OEB *Electricity Reporting and Record Keeping Requirements* dated May 13, 2015 (the “RRR”), the OEB *Accounting Procedures Handbook for Electricity Distributors* (the “APH”), the *2006 Electricity Distribution Rate Handbook* (the “EDRH”) and related OEB guidance documents (collectively, the “OEB Documents”). In particular, the Scorecard’s performance measures, and the financial figures which underlie them, are determined exclusively by reference to the calculation methods set out in the OEB Documents. Notably, unlike the financial statements that Toronto Hydro is required to prepare and disclose in accordance with securities laws, the Scorecard’s performance measures are *not* prepared in accordance with the United States Generally Accepted Accounting Principles (“US GAAP”). As a result, the performance measures presented in the Scorecard and this Scorecard MD&A may differ from similarly-termed information disclosed in Toronto Hydro’s securities documents, which are filed with the Ontario Securities Commission and available to the public. For an analysis of Toronto Hydro’s financial performance as determined in accordance with [US] GAAP, please refer to the Corporation’s audited consolidated financial statements for the year ended December 31, 2014, which may be read in conjunction with Toronto Hydro’s

Service Quality

- **New Residential/Small Business Services Connected on Time**

In 2014, Toronto Hydro-Electric System Limited ("Toronto Hydro" or "utility") connected 91.5% of approximately 2,500 eligible low-voltage residential and small business customers (those utilizing connections under 750 volts) to its system within the five-day timeline prescribed by the Distribution System Code. This value has decreased slightly over 2013, but remains above the OEB-mandated threshold of 90%. Serving one of the fastest growing cities in North America, Toronto Hydro receives high volumes of requests to connect new residential developments and businesses each year. Toronto Hydro integrates the connection work with its planned construction activities to help ensure that the scope, nature and timing of connection work does not adversely affect the utility's planned work program. Where possible, Toronto Hydro also coordinates its connection work with construction activities undertaken by other utilities and municipal and provincial government agencies.

- **Scheduled Appointments Met On Time**

In 2014, Toronto Hydro scheduled over 16,700 appointments to complete work requested by customers (about 60 appointments per working day). Toronto Hydro met 99.8% of these appointments, surpassing the previous year's record by 0.2% and significantly exceeding the OEB-mandated target of 90%. Providing excellence in customer service is at the core of Toronto Hydro's corporate philosophy, and the utility is consistently seeking new ways to foster meaningful two-way communication, expand the range of service offerings, improve service convenience, and integrate new technological advancements to drive service level improvements.

- **Telephone Calls Answered On Time**

In 2014, Toronto Hydro customer contact centre agents received over 530,000 calls from its customers – over 2,000 calls per working day. These calls were answered in 30 seconds or less 71.9% of the time (once customers selected an option to speak to the utility's representative), which is above the OEB-mandated target of 65%.

While Toronto Hydro's 2014 result represents a 10% decrease from the year prior, this performance is a consequence of a strategic decision by Toronto Hydro management informed by customer satisfaction research. The utility's research results indicates that customers value having their call answered within 30 seconds

comparatively less than certain other components of their interaction with the distributor, and particularly having their matter resolved in a single call. Accordingly, in 2014 Toronto Hydro focused on improving First Contact Resolution, which impacted the call response timelines, as customer service representatives are generally required to stay on the phone longer to ensure that the matter is fully resolved. As described in more detail below, this strategy allowed Toronto Hydro to improve its First Call Resolution results by 4% relative to 2013, while continuing to exceed the OEB-mandated call response targets.

Toronto Hydro's call answer timeliness performance was also positively affected by continued reduction in the volume of calls received, attributable to successful promotion of on-line self-serve features, internal process improvements, and increased customer preference to contact Toronto Hydro via email.

Customer Satisfaction

- First Contact Resolution**

In providing assistance to its customers, Toronto Hydro strives to resolve customer enquiries as quickly and efficiently as possible. Starting in 2013, the OEB implemented a new measure to gauge the success rate with which distribution utilities are able to address customer requests at the first instance of contact. Utilities are currently required to define the First Contact Resolution measure in a manner that provides the most meaningful assessment of their performance.

Toronto Hydro measures its first contact resolution as a percentage of telephone enquiries resolved in a single call. An eligible enquiry is considered resolved in the first call if a customer does not call back regarding the same enquiry for the same account within 21 calendar days. The metric includes residential and commercial customer account-related enquiries, including those related to billing, customer moves, payment and account arrears assistance, online tools, and conservation programs.

In 2014, Toronto Hydro was able to successfully resolve 81% of customer requests at the first instance of contact. This measure was a key area of focus for Toronto Hydro in light of its customer research and represents an improvement of 4% over its 2013 results. As with other performance measures, Toronto Hydro expects to continue exploring opportunities for continuous and sustained improvement on this measure, enhancing the value of service delivered to its customers.

- Billing Accuracy**

The Billing Accuracy measure is defined as the total number of accurate bills issued expressed as a percentage of total bills issued. Bills can be considered inaccurate for a variety of reasons, including billing errors, estimated bills due to lack of metering data, and corrections to account information.

In 2014, Billing Accuracy was measured for the time period between October-December, with Toronto Hydro attaining a result of 96.6%.

As one of the earliest adopters of smart meter technology, Toronto Hydro employs a significant number of "first generation" smart meter hardware, which have

technological limitations as compared to newer models. In addition, Toronto's dense urban environment, proliferation of high-rise buildings, and below-grade meter rooms add complexity to communication infrastructure, leading to challenges in obtaining consistent meter reads across its service territory.

To address its system performance, Toronto Hydro is in the process of modernizing the technical infrastructure for collecting smart meter read data. Modernizing efforts taking place throughout 2015 have begun to show the anticipated benefits. Toronto Hydro is executing a plan to meet this performance metric.

- **Customer Satisfaction Survey Results**

This measure requires utilities to canvass customer satisfaction in the areas of power quality and reliability, price, billing and payment, communications, and customer service. In accordance with the OEB's guidance, Toronto Hydro conducts such a survey every second year. In its 2013 survey (released in 2014), Toronto Hydro attained a 91% satisfaction score, which ranks among the highest in its class for utilities of its size. The survey provides information that supports Toronto Hydro's plans to continually improve customer service at all levels and departments within the utility.

Safety

- **Public Safety**

- **Component A – Public Awareness of Electrical Safety**

This measure is currently under development by the OEB.

- **Component B – Compliance with Ontario Regulation 22/04**

This performance measure evaluates the status of a distributor's compliance with Ontario Regulation (O. Reg.) 22/04, which sets out the key operating parameters with respect to ensuring electrical safety for existing and newly constructed distribution assets. The annual Compliance Audit and Declaration of Compliance, Due Diligence Inspections, Public Safety Concerns, and Compliance Investigations are the four elements of this performance measure.

In 2014, the Electrical Safety Authority (ESA) conducted an audit which found Toronto Hydro to be fully compliant with the requirements of the O. Reg. 22/04. Similarly, the ESA also conducted 20 Due Diligence Inspections of construction projects completed by Toronto Hydro and found all projects to be in compliance with O. Reg. 22/04. Toronto Hydro also successfully responded to and resolved 21 Public Safety Concerns raised by the ESA.

The utility will continue working with the ESA, its customers and partners to facilitate electrical safety across its service territory for all Toronto residents and visitors to the city.

- **Component C – Serious Electrical Incident Index**

Serious electrical incidents are defined in Ontario Regulation 22/04. The OEB measures these incidents as a ratio of total eligible incidents per km of line comprising a distributor's distribution system. In the case of Toronto Hydro, the utility's 2014 ratio was 0.295 incidents per 1,000 km of line, which amounts to a total of three incidents in the course of the year. All three incidents were caused by third parties: two involving third-party trucks bringing down overhead lines, and one involving a third-party tree trimming contractor dropping a tree limb on an overhead line.

System Reliability

- **Average Number of Hours that Power to a Customer is Interrupted**

In 2014, Toronto Hydro customers experienced an average outage duration of 1.14 hours. This is a significant reduction from the 17.81 hours experienced in 2013 (which was driven by the presence of two major weather events: a severe summer flood and a severe winter ice storm), and a notable improvement over the more comparable 2012 value of 1.46 hours.

- **Average Number of Times that Power to a Customer is Interrupted**

In 2014, Toronto Hydro's customers experienced an average of 1.36 outages. Similar to outage duration, this is a significant decrease over the 2.39 outages experienced in 2013, which were in large part a function of two major weather events that occurred during the year. The 2014 outage frequency result is a slight decrease over the 1.47 outages experienced in 2012.

Toronto Hydro notes that when controlling for impact of major weather events, upstream outages on the provincial transmission grid, and scheduled outages (which the utility can control to a very limited degree), its average outage frequency statistics have been showing a stable trend over the last five years. This trend is attributable in part to the infrastructure renewal investments that the utility has continued to make in the recent period to address a major portion of its assets that have surpassed and/or are rapidly approaching the end of their useful lives. These investment efforts need to continue to retain this trend.

Asset Management

- **Distribution System Plan Implementation Progress**

The progress of the distribution system plan implementation is a new performance measure instituted by the OEB starting in 2013, intended to measure the success of utilities in implementing their capital investment plans. The OEB currently requires utilities to define and report the measure in a manner that provides the most meaningful assessment of their performance.

Toronto Hydro measures the progress of its Distribution System Plan implementation as a ratio of total capital expenditures made in a calendar year over the total amount of OEB-approved capital expenditures for that calendar year. Given the dynamic, dense, urban environment in which Toronto Hydro operates, a number of issues emerge over the course of the year that require the utility to postpone, re-prioritize or otherwise amend the details of its capital work plan.

Toronto Hydro's result for this measure for 2014 is 147%. Consistent with rate applications filed in the recent years, this performance level is demonstrative of the utility's efforts to replace aging infrastructure, integrate new technologies, and enable Toronto's urban growth.

Cost Control

- **Efficiency Assessment**

The OEB assesses distributor efficiency using a comprehensive econometric benchmarking study that compares each utility's actual total costs, to the average efficient levels predicted by the model, based on a data set comprised of Ontario utilities.

Where Toronto Hydro's efficiency levels are compared with a sample which also includes large urban U.S. utilities in addition to Ontario (and makes a number of other adjustments to align with the OEB methodology), Toronto Hydro's 2014 total costs are approximately 5% lower than model-predicted costs, indicating that the utility's efficiency performance was well within the average performance levels. Toronto Hydro has filed such a study as a part of its 2015-2019 Custom Incentive Regulation (CIR) rate application to the OEB.

- **Total Cost per Customer**

In 2014, Toronto Hydro's total cost per customer was \$967, or \$43 higher than the 2013 result. The increase in cost per customer is primarily driven by an increase in capital costs, offset by a decrease in OM&A costs. This increase is consistent with Toronto Hydro's ongoing efforts to find operational efficiencies while undertaking capital work to replace and refurbish the utility's aging distribution assets, connect new customers in one of the fastest growing North American cities, and modernize the grid through the use of emerging technologies.

Toronto Hydro notes that its Total Cost per Customer results, as calculated by the OEB, do not account for an estimated 352,000 multi-unit dwelling residents occupying buildings that are metered by a single “bulk” meter. Adding these residents into the calculation would significantly reduce Toronto Hydro’s unitized total cost result.

- **Total Cost per Km of Line**

In 2014, Toronto Hydro’s Total Cost per Km of Distribution Line was \$70,688, or \$3,895 higher than the 2013 results. As with Total Cost per Customer measure, Toronto Hydro’s higher cost per Km of Line is primarily driven by an increase in capital costs, offset by a decrease in OM&A costs, as the utility continues seeking operating efficiencies to manage the costs of its capital work to renew its aging infrastructure, enable Toronto’s rapid urban growth, and improve grid operability through new technologies.

Toronto Hydro notes that this measure as calculated by the OEB does not account for the presence of a unique and expansive downtown underground network of secondary (lower-voltage) wires that provides an enhanced reliability to Toronto’s downtown customers. Unlike the ordinary secondary wires used to connect individual buildings to the distribution system, which are typically excluded from total line length calculations, Toronto Hydro’s secondary network is unique in its size and span in Ontario and performs a function similar to that of higher-voltage primary lines that are included as part of this measure. Including the length of the downtown underground secondary network into the Total Cost per Line Km calculation would result in a lower unitized cost.

Conservation & Demand Management

- **Net Annual Peak Demand Savings (Percent of target achieved)**

Toronto Hydro’s 2014 Net Annual Peak Demand Savings amounted to 206.29MW, which equals 72.06% of the utility’s total OEB-mandated target. Throughout 2014 the utility worked with all of its customer classes to deliver CDM programs that responded to their needs and reflected the government’s conservation objectives. Of note is Toronto Hydro’s success in supporting its customers with dedicated Energy Manager resources that advise customers on specific improvements and modifications to increase their energy efficiency following multiple site visits. Toronto Hydro was also a key contributor in the development of the new Conservation First Framework announced in 2014. Over the 2011-2014 timeframe, Toronto Hydro contributed 22% of the overall provincial target for demand savings, and was a significant contributor to the Green Energy Act goal to phase out coal generation by 2014.

A comprehensive description of Toronto Hydro’s conservation programs and results for the year 2014 will be provided in the utility’s 2014 Conservation and Demand Management Annual Report expected to be submitted to the OEB at the end of September 2015.

- **Net Cumulative Energy Savings (Percent of target achieved)**

Toronto Hydro's 2014 Net Cumulative Energy Savings amounted to 1582.56 GWh, which brings the utility's cumulative savings to 121.36% of the OEB-mandated target. Throughout 2014 the utility worked with all of its customer classes to deliver CDM programs that responded to their needs and reflected the government's conservation objectives. Of note is Toronto Hydro's success in supporting its customers with dedicated Energy Manager resources that advise customers on specific improvements and modifications to increase their energy efficiency following multiple site visits. Toronto Hydro was also a key contributor in the development of the new Conservation First Framework announced in 2014. Over the 2011-2014 timeframe, Toronto Hydro contributed 24% of the overall provincial target for energy savings , and was a significant contributor to the Green Energy Act goal to phase out coal generation by 2014.

A comprehensive description of Toronto Hydro's conservation programs and results for the year 2015 will be provided in the utility's 2014 Conservation and Demand Management Annual Report expected to be submitted to the OEB at the end of September 2015.

Connection of Renewable Generation

- **Renewable Generation Connection Impact Assessments Completed on Time**

A Connection Impact Assessment is a detailed technical study that a utility must undertake prior to connecting all new qualifying sources of supply to its electricity network. The study ensures that generators seeking connection can be safely accommodated on the system, without having an adverse impact on system reliability for the existing customers. In 2014 Toronto Hydro completed 208 of such studies following requests by connecting customers, of which 202 were completed within the timelines specified by the Distribution System Code. This 97% result is a slight reduction from the 100% achieved in 2013, but remains significantly above the 83.7% average rate over the 2010-2012 timeframe, indicating a sustained improvement in service levels in recent years. Toronto Hydro will continue to explore process enhancements to target a 100% rate in future years.

- **New Micro-embedded Generation Facilities Connected On Time**

In 2014, Toronto Hydro successfully connected all 107 new solar micro generation facilities within the required 5-day timeline, or as negotiated with individual proponents. This result exceeds the OEB's target of 90%, and also matches Toronto Hydro's 100% performance in 2013 when 159 such generation facilities were connected.

Financial Ratios

- **Liquidity: Current Ratio (Current Assets/Current Liabilities)**

Toronto Hydro seeks to maintain its financial health and viability for the benefit of its customers, Shareholder (the City of Toronto), and other stakeholders. Consistent with the OEB's Renewed Regulatory Framework for Electricity (RRFE), which places Financial Performance among the four key outcomes for regulated utilities, Financial Strength is among the four corporate pillars underlying the utility's strategic vision.

Toronto Hydro notes that the OEB's "Liquidity Ratio" is calculated by dividing the sum of a distributor's "Current Assets" by the sum of the distributor's "Current Liabilities" (see the OEB's 2014 Scorecard Report, Appendix B). Toronto Hydro's "Current Assets" and "Current Liabilities" are determined in accordance with the requirements of the Electricity Reporting and Record Keeping Requirements (RRR) and the Accounting Procedures Handbook (APH), and not by reference to US GAAP. As a result, the "Liquidity Ratio" expressed in the Scorecard and this Scorecard MD&A may differ from similarly-termed financial ratios or information presented in documents that Toronto Hydro is required to file under securities laws and which are available on SEDAR (www.sedar.com).

For analysis of the financial performance of Toronto Hydro Corporation, including that of the utility, please refer to the Management Discussion & Analysis available at www.torontohydro.com

- **Leverage: Total Debt (includes short-term and long-term debt) to Equity Ratio**

Toronto Hydro seeks to maintain its financial health and viability for the benefit of its customers, Shareholder (the City of Toronto), and other stakeholders. Consistent with the OEB's Renewed Regulatory Framework for Electricity (RRFE), which places Financial Performance among the four key outcomes for regulated utilities, Financial Strength is among the four corporate pillars underlying the utility's strategic vision.

Toronto Hydro notes that the OEB's "Leverage Ratio" is calculated by dividing a distributor's "Total Debt" by the aggregate "Shareholders' Equity" in the distributor (see the OEB's Scorecard Report, Appendix B). Toronto Hydro's "Total Debt" and "Shareholders' Equity" are determined in accordance with the requirements of the OEB's Electricity Reporting and Record Keeping Requirements for Electricity Distributors (RRR) and the Accounting Procedures Handbook (APH), and not by reference to US GAAP. As a result, the "Leverage Ratio" expressed in the Scorecard and this Scorecard MD&A may differ from similarly-termed financial ratios or information presented in documents that Toronto Hydro is required to file under securities laws and which are available on SEDAR (www.sedar.com).

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- **Profitability: Regulatory Return on Equity – Deemed (included in rates)**

Toronto Hydro seeks to maintain its financial health and viability for the benefit of its customers, Shareholder (the City of Toronto), and other stakeholders. Consistent with the OEB's Renewed Regulatory Framework for Electricity (RRFE), which places Financial Performance among the four key outcomes for regulated utilities, Financial Strength is among the four corporate pillars underlying the utility's strategic vision.

Toronto Hydro notes that the OEB Documents prescribe the form and manner in which a distributor is required to report on its "Regulatory Return on Equity" (the "Regulatory ROE") (see the OEB's Scorecard Report, Appendix B, and the Electricity Reporting and Record Keeping Requirements (RRR)). The Regulatory ROE is calculated on the same basis that Toronto Hydro uses to establish its "base rates" for a year, which is prescribed by the 2006 Electricity Distribution Rate Handbook (EDRH). The Regulatory ROE is not determined in accordance with US GAAP. As such, the Scorecard's "Profitability" performance measures, and specifically the "Deemed" and "Achieved" Regulatory ROE presented in the Scorecard and this Scorecard MD&A, may differ from similarly-termed expressions of profitability and return on equity presented in documents that Toronto Hydro is required to file under securities laws and which are available on SEDAR (www.sedar.com).

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- **Profitability: Regulatory Return on Equity – Achieved**

Toronto Hydro seeks to maintain its financial health and viability for the benefit of its customers, Shareholder (the City of Toronto), and other stakeholders. Consistent with the OEB's Renewed Regulatory Framework for Electricity (RRFE), which places Financial Performance among the four key outcomes for regulated utilities, Financial Strength is among the four corporate pillars underlying the utility's strategic vision.

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Note to Readers of 2014 Scorecard MD&A

The information provided by distributors on their future performance (or what can be construed as forward-looking information), including management's expectations regarding the distributor's future results of operations, performance, business prospects and opportunities, may be subject to a number of risks, uncertainties and other factors that may cause actual events, conditions or results to differ materially from historical results or those contemplated by the distributor regarding their future performance. Some of the factors that could cause such differences include legislative or regulatory developments, financial market conditions, general economic conditions and the weather. In addition, the information provided reflects the distributor's current beliefs and is based on information currently available to the distributor's management. For these reasons, the information on future performance is intended to be management's best judgement on the reporting date of the performance scorecard, and could be markedly different in the future.